



**Michael O. Leavitt**  
Governor

# State of Utah

## PUBLIC SERVICE COMMISSION OF UTAH

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Commission Secretary

September 19, 2001

**DOCKET FILE COPY ORIGINAL**

Magalie R. Salas  
Office of the Secretary  
Federal Communications Commission  
455 - 12<sup>th</sup> Street, SW  
Washington, DC 20554

Re: **CC Docket No. 96-45 In the Matter of Federal-State Joint Board on Universal Service**

### **Annual State Certification Pursuant to 47 C.F.R. §54.314**

Dear Ms. Salas:

Pursuant to 47 C.F.R. §54.314, state commissions must file an annual certification with the Universal Service Administrative Company (USAC) and the FCC stating "that all federal high-cost support provided to eligible telecommunications carriers will be used only for the provision, maintenance and upgrading of facilities and services for which the support is intended."

### **Utah Eligible Telecommunications Carriers (companies) Certified With This Letter:**

#### Company Name (Exchange Carrier Study Area Code)

All West Communications, Inc. (502288)  
Bear Lake Communications, Inc. (503032)  
Beehive Telephone Company, Inc. (502284)  
Central Utah Telephone, Inc. (502277)  
Citizens Telecommunications Company of Utah (504429)  
Emery Telcom (502278 -- includes Carbon/Emery Telcom and Hanksville Telcom)  
Gunnison Telephone Company (502279)  
Manti Telephone Company (502282)  
Navajo Communications Company (504449)  
Skyline Telecom (502283)  
South Central Telephone Association (502286)  
Uintah Basin Telecommunications Association, Inc. (502287 -- includes UBET Telecom, Inc.)  
Union Telephone Company (512297 -- Utah segment only)

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which it administers the state high-cost fund (State USF) and local ratemaking process (rate of return regulation). Each company is subject to audits in conjunction with state rate cases. These audits validate the use of federal and state high-cost support and the potential to continue to comply with applicable requirements. Each rate case takes into account any federal high-cost support received by a particular company in determining a company's eligibility for state high-cost support. This has the effect of reducing the company's intrastate revenue requirement and contributes to keeping rates reasonable and affordable.

In addition, we obtained statements from each of the companies listed below. Each company claims that it "is complying with the requirements of Section 254(e) and will continue to comply for the period January 1, 2002 through December 31, 2002 (the certification period) to be eligible to receive federal USF. The company certifies to the Commission that it will use all federal high-cost support provided to it only for the provision, maintenance and upgrading of facilities and services for which the support is intended consistent with the principles of universal service 47 U.S.C. 254. This includes, but is not limited to, trying to meet the goal of the provision of services that are properly supported by the high-cost funds at rates that are reasonably comparable to rates charged for similar services in urban areas."<sup>1</sup>

Each of these companies has demonstrated its ability to comply with state and federal rules and regulations regarding the use of high-cost support. Given the number of safeguards already in place at the federal level, and in light of the manner in which we oversee application of federal and state high-cost support in combination with the each company's formal statement regarding use and intent to use federal high-cost support, our reliance on such information is sufficient basis to provide this certification.

Accordingly, we certify that the above-listed eligible telecommunications carriers comply with the requirements of Section 254(e) and will continue to comply for the period January 1, 2002 through December 31, 2002 (the certification period) to be eligible to receive federal high-cost support, and that each company will use its federal high-cost support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with Section 254(e) of the Communications Act.

**Utah Companies Excluded From This Certification Letter:**

CenturyTel of Eagle Inc. (CenturyTel) (Exchange Carrier Study Area Code 462185) provides local exchange service to approximately 6 to 8 Utah customers on the border of Colorado via facilities located in Colorado. Farmers Telephone Company (Farmers) (Exchange Carrier Study Area Code 462188) provides local exchange service to approximately 8 Utah customers on the border of Colorado via facilities located in Colorado. Albion Telephone Company (Albion) (Exchange Carrier Study Area Code 472213) provides local exchange service to approximately 27 Utah customers on the border of Idaho via facilities located in Idaho. All ratemaking procedures for these companies have historically been deferred to the Colorado Public Utilities Commission or Idaho Public Utilities Commission accordingly.

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<sup>1</sup> Statement made in each company self-certification letter to the Utah Public Service Commission.

Due to our limited oversight, we hereby defer certification of CenturyTel and Farmers to the Colorado Public Utilities Commission and defer certification of Albion to the Idaho Public Utilities Commission consistent with the ratemaking process for these companies.

Respectfully,

A handwritten signature in black ink, appearing to read "Stephen F. Mecham", written over a horizontal line.

Stephen F. Mecham, Chairman  
Utah Public Service Commission